

**A SYSTEM FOR ANALYSIS OF ORGANIZATIONAL CONFLICTS**

**INVENTOR:**

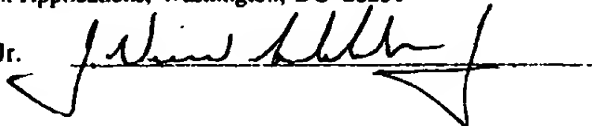
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A handwritten signature in dark ink, appearing to read "J. Nevin Shaffer, Jr.", is written over a horizontal line.

1                   **A SYSTEM FOR THE ANALYSIS OF ORGANIZATIONAL CONFLICTS**

2                   **CROSS REFERENCE TO RELATED APPLICATIONS**

3                   This application is related to, and is a continuation-in-part of, pending United States  
4                   Patent Application Serial No. 09/030,034, filed February 25, 1998, and entitled "EXPERT  
5                   SYSTEM FOR THE ANALYSIS OF INTERNAL CONFLICTS", now abandoned.

6  
7                   **BACKGROUND OF THE INVENTION**

8                   This invention relates to an expert system for the analysis of organizational conflict  
9                   handling procedures. Specifically, this invention relates to an expert system comprising both  
10                  a method and an apparatus for the analysis of organizational conflict handling procedures to  
11                  determine the absence or presence of adherence or lack thereof to predetermined rules and a  
12                  preferred path for dispute resolution.

13                  While no two businesses are identical, every business has essentially the same business  
14                  interests. Those business interests include controlling costs, increasing market share,  
15                  meeting/exceeding customer expectations, strengthening long-term business relationships, and  
16                  increasing the value of the business. Another common element in every business is conflict.  
17                  Predictable conflicts occur in three areas. These three areas are employees, customers, and  
18                  business partners. Businesses that ignore these predictable areas of conflicts do so at their  
19                  peril. Unresolved conflict contributes to high costs in organizations, and one of the most  
20                  measurable costs is outside litigation expenses. It is not uncommon for large organizations to  
21                  have litigation expenses in the seven and eight figure range. Litigation expenses represent a  
22                  true waste for any business, since these expenses detract directly from the bottom line.

1 Alongside legal expenses, however, are other costs associated with unresolved conflict, such as  
2 emotional wear and tear, lost business relationships, and high turnover. Other than abject  
3 neglect, the source of these unresolved conflict costs to businesses can be traced directly to  
4 weak systems for handling organizational conflicts. Weak systems are indicated by poor  
5 complaint-handling, communication, and negotiation skills of employees and managers; by  
6 grievance procedures based on a higher authority; by overuse of litigation to resolve disputes;  
7 by simply adding alternative dispute resolution (ADR) to an already weak system; by lack of  
8 continuity in systems for employees, customers, and partners; and by inadequate prevention  
9 procedures. Indicators of weak systems are also indirectly reflected by high litigation  
10 expenses, lost productivity, bad press, strikes/poor labor relations, lost business opportunities,  
11 and internal arguments over how or when to use alternative dispute resolution. Just as the  
12 prior art solution to solving unresolved conflict by way of litigation has been found to be no  
13 sure answer, yet expensive, so has the prior art solution of requiring singular solutions of such  
14 as alternative dispute resolution, or training of managers and employees, or other similar  
15 innovations such as online mediation for any and all unresolved conflicts.

16 What is required, and what applicant has developed, is an expert system for the analysis  
17 of organizational conflict handling procedures across and within all four boxes of an  
18 organizational template to determine the presence or absence of adherence or lack thereof to  
19 predetermined rules and a preferred path for dispute resolution. This is followed with  
20 recommendations for new organizational conflict handling procedures that lead to early  
21 resolution of cases, and hence, savings in time and money to all parties to the conflict. The  
22 expert system for analysis disclosed herein allows for diagnosis of existing organizational

1 weaknesses, and then recommends corrective action (systems changes) through rewiring  
2 organizational conflict handling procedures, selecting key staff, and training all employees,  
3 thereby producing outcomes that benefit the entire organization. The expert system has  
4 achieved reductions in outside litigation expenses up to eighty percent annually. Alongside this  
5 material benefit are improved morale and cooperation in the workplace, retention of valued of  
6 employees, and strengthened long-term business relationships with customers and partners.

### 8 SHORT STATEMENT OF THE INVENTION

9 Accordingly, the expert system for the analysis of existing organizational conflict  
10 handling procedures to determine the absence or presence of adherence or lack thereof to  
11 predetermined rules and a preferred path for dispute resolution and for recommending new  
12 organizational conflict handling procedures comprises the steps of identifying existing  
13 organizational conflict handling procedures. Thereafter, a predetermined conflict resolution  
14 analysis template defining a preferred path for the resolution of conflicts is applied , for  
15 identifying indicators of weakness in conflict handling procedures, to the existing  
16 organizational conflict handling procedures. Finally, recommendations are created for new  
17 organizational conflict handling procedures that adhere to the preferred path in accordance with  
18 the predetermined rules for dispute resolution. The method includes rules for the analysis of a  
19 plurality of preselected conflict resolution process variables. In a preferred embodiment, the  
20 conflict resolution process variables are selected from a list including policy, rules and  
21 responsibilities, documentation, selection, education and training, support, and evaluation. In  
22 this embodiment, recommendations are for modifications to conform the existing

1 organizational conflict handling procedures to include at least those from this list. Further, in  
2 a preferred embodiment, the method include rules defining a preferred path for handling  
3 conflict from site-based resolution, to internal support resolution, to convening for external  
4 alternative dispute resolution, and, finally, to external higher authority resolution. Still  
5 further, the computer instructions and method includes rules for review of the outcome of each  
6 organizational conflict analysis performed, including utilization of the recommended system,  
7 resolution of the particular conflict, expenses associated therewith, and satisfaction of the  
8 parties thereto.

9 This expert system acknowledges four ways to resolve conflict: avoidance, as in no  
10 action to resolve the conflict is taken; collaboration, in which individual initiative, negotiation  
11 by the parties, and mediation by third parties are solicited; higher authority, wherein the chain  
12 of command is utilized or external arbitration or litigation are resorted to; and/or unilateral  
13 power play, wherein physical violence, strikes, and behind the scenes maneuvering take place.  
14 Applicant's expert system for the analysis of organizational conflict handling procedures  
15 orders the four ways so as to follow a preferred path to resolve conflict for low cost resolution  
16 early in the life of any conflict, focusing by way of computer hardware and software on  
17 systemic collaboration first with other options as backup. Further, applicant's expert system  
18 emphasizes internal systems that precede external alternative dispute resolutions, which has the  
19 effect of preventing minor complaints and conflicts from escalating into expensive disputes.

20 Applicant's expert system includes rules for preselected conflict resolution process  
21 variables. Importantly, seven significant conflict resolution variables have been identified,  
22 those being: policy, roles and responsibilities, documentation, selection, education and

1 training, support, and evaluation. These preselected conflict resolution variables are used in  
2 the analysis of preexisting organizational conflict handling procedures so as to identify  
3 weakness and recommend corrections. By way of application of these conflict resolution  
4 variables, a preferred path is delineated so that organizational conflicts pass initially through  
5 individual site-based resolution initiatives, then to internally supported negotiations, then, if  
6 necessary, to external mediations, informal and formal, and lastly, to higher authority, internal  
7 or external. Further, once the information concerning the existing organizational conflict  
8 handling procedure is identified, a recommendation concerning change to that procedure is  
9 made. Once those changes are implemented, the resultant new organizational conflict handling  
10 procedure is periodically evaluated by reference to outcome variables, including utilization,  
11 resolution, expense, and satisfaction.

#### **BRIEF DESCRIPTION OF THE DRAWINGS**

14 Other objects, features, and advantages of the present invention will become more fully  
15 apparent from the following detailed description of the preferred embodiment, the appended  
16 claims, and the accompanying drawings in which:

17 Figure 1 is a schematic illustrating a predetermined conflict resolution analysis template  
18 of the present invention defining a preferred path for the resolution of conflicts from Box 1 to  
19 Box 4;

20 Figure 2 is a flow chart illustrating the preferred path of the system for the analysis of  
21 organizational conflicts of the present invention; and

1 Figure 3 is a schematic illustrating the preselected conflict resolution process variables  
2 considered in accordance with the predetermined rules and the outcome variables utilized in  
3 analysis of the existing conflict handling procedures.  
4

#### 5 **DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENT**

6 The preferred embodiment of the present invention is illustrated by way of example in  
7 FIGURES 1-3. With specific reference to Figure 1, the expert system for the analysis of  
8 organizational conflict handling procedures10 is illustrated showing the preferred path through  
9 gates 12, 14 and 18 and the four Boxes (1), (2), (3), and (4) through which organizational  
10 conflicts are directed. A computer system, of any type known in the art and not described or  
11 disclosed more fully hereafter, is utilized , by way of example, in accordance with a preferred  
12 embodiment of this invention by the installation and/or linking of a computer readable media  
13 on the computer system containing instructions for a predetermined conflict resolution analysis  
14 template defining a preferred path for the resolution of conflicts. In its most basic form, the  
15 computer instructions analyze the flow of cases within the organization according to the  
16 preferred path for cost control. In accordance with the template, block 20 illustrates the first  
17 preferred path stage for dispute resolution, that being site-based resolution 22. In accordance  
18 with the template, the preferred path site-based resolution 22 encourages resolution of  
19 organizational conflicts by the parties, to wit, employees, managers, customers, and anyone in  
20 conflict. Further, collaboration is encouraged first by means of individual initiative,  
21 negotiation, and mediation. That is, the rules require initially that conflicts pass along the  
22 preferred path from block 20 site-based resolution 22 to block 28 internal support 30.

1 This second level of organizational conflict resolution is accomplished by specialists 32,  
2 including, but not limited to, ombudsman, human resources personnel, internal mediators, peer  
3 review personnel, and corporate counsel, i.e., legal department assistance, all of whom assist  
4 the parties in resolution of the case/conflict. From block 28 internal support 30, the  
5 predetermined rules urge, and the preferred path requires, continuing internal conflict  
6 problems to pass to a third opportunity for resolution through gate 14 to block 26 for the  
7 convening of external alternative dispute resolution (ADR) 24 personnel. ADR 24 may be  
8 accomplished by any known procedure, but the rules suggest external vendors 34 provide these  
9 services and the predetermined rules include a menu of choices thereunder, including, but not  
10 limited to, mediation, arbitration, mini trial, and fact finding procedures. Block 36 illustrates  
11 a fourth possible step ,and the last block in the preferred path provided for under the  
12 predetermined rules, of resort to external higher authority 38 for resolution of internal  
13 conflicts. Resolution by way of external higher authority 38 is accomplished in any manner  
14 known in the art, such as litigation, hearings, and so forth, by courts, governmental agencies,  
15 and the like.

16 As illustrated in Figure 1, the predetermined rules of the template and the preferred  
17 path of the present invention force comprehensive systemic evaluation of organizational  
18 conflicts to be considered early in the life of any conflict, ordering the options to begin with  
19 low-cost resolution early in the life of any conflict by way of preferred site-based resolution  
20 22. Internal conflicts which cannot be resolved in block 20 by way of site-based resolution 22  
21 are directed through gate 12 to block 28 for internal support 30.



1 As illustrated, the preferred path for dispute resolution in accordance with the terms of  
2 the predetermined rules are illustrated by way of single arrows 40. Additionally, the  
3 predetermined rules of the computer program and method of the present invention provide for  
4 looping backward or forward within the schematic as illustrated by double arrows 42, if the  
5 parties agree to do so.

6 Referring now to Figure 2, the preferences of the method and computer instructions of  
7 the preferred embodiments of the invention evidenced by the predetermined conflict resolution  
8 analysis template and preferred path that serve as a blueprint for the resolution of  
9 organizational conflicts are illustrated. In the inevitable event of organizational conflict, early  
10 resolution 44 is preferred and employees and managers work to informally resolve the conflict  
11 as illustrated in block 46. If resolution is reached, as in block 48, no further action is  
12 necessary (block 50). If a resolution is not reached, internal conflict management rules direct  
13 the process to proceed to internal support 52, where employees and managers receive help  
14 from a variety of personnel, including ombudsman, human resources, legal department,  
15 internal mediation, peer review, and others in block 54. If a resolution is reached (block 56),  
16 no further action is necessary (block 50).

17 If a resolution is not reached in block 56, the rules require convening for external  
18 resolution 58 at block 60. External alternative dispute resolution (block 60) includes any and  
19 all types available, such as mediation, arbitration, and fact finding. If a resolution is reached  
20 at block 62, no further action (block 50) is necessary. If a resolution is not reached at block  
21 62, external higher authority in the form of litigation 64 is indicated. Litigation by the courts  
22 or administrative process through governmental agencies (block 66) occurs in accordance with

1 these rules as illustrated in this flow chart, then, as not the first but the next to the last step in  
2 conflict resolution. If conflict resolution is reached (block 68), no further action is necessary  
3 (block 50). If a resolution is not reached in block 68, administrative or legal appeal process 70  
4 is indicated. In each step, once no further action is necessary (block 50), the predetermined  
5 rules of the present invention require periodic assessment of lessons learned (block 72) so that  
6 conflict resolution procedures, weaknesses, and strengths may be noted and amended as  
7 necessary.

8 Referring now to Figure 3, a slightly modified schematic of the expert system for  
9 analysis of organizational conflict handling procedures 10 is illustrated, wherein preselected  
10 conflict resolution process variables 74 and outcome variables 76 applicable in each block are  
11 identified. Further, this schematic illustrates the preferred path the rules require from site-  
12 based resolution 22 through internal support 30 to convening for external ADR 24 and, as a  
13 last resort, referral to external higher authority 38. There is no provision, therefore, as  
14 illustrated, for direct resort from site-based resolution 12 to convening for external ADR 24 or  
15 elsewhere. Nonetheless, Figure 3 does illustrate an optional embodiment wherein resort to  
16 external higher authority 38 may be had directly from internal support 30.

17 An integral part of the expert system for analysis of organizational conflict handling  
18 procedures 10 is the provision in the predetermined rules for analysis of preselected conflict  
19 resolution variables 74, which are designed to complement the previously described rules in  
20 analyzing information obtained on existing organizational conflict handling procedures so that  
21 recommendations consistent with the establishment of an expert system for conflict resolution  
22 will be obtained. These variables 74 ensure that the preferred path for cost control is adhered

1 to. While the variables 74 applicant has selected for incorporation into the rules of its program  
2 are discussed more fully hereafter, it is by no means suggested that these are the only variables  
3 that may be utilized. Instead, it is suggested that these variables are critical for the expert  
4 system for analysis of organizational conflict handling procedure 10 as disclosed herein to  
5 function to its full capabilities.

6 The first conflict resolution variable 74 to be considered is policy. The rules require  
7 that a policy statement be written that applies the preferred path (collaboration first!) to all  
8 employment, customer, and partner (commercial) issues. Secondly, the roles and  
9 responsibilities of each of the following individuals are detailed as to what role they are to play  
10 in the early resolution of conflicts:

- 11 (a) employees;
- 12 (b) managers; and
- 13 (c) specialists, such as ombudsman, human resources, attorneys, internal mediators,  
14 external conveners, external ADR vendors.

15 Documentation is the next variable 74 to be considered under the rules, wherein all  
16 written and electronic documents are required to channel all potential conflicts sequentially  
17 through the gates of the preferred path as illustrated in either Figure 1 or 3. This includes  
18 employee brochures, videos for new employees, press releases, supervision manuals, and all  
19 other corporate documents.

20 The rules regarding the "selection" variable 74 strengthen the talent base within an  
21 enterprise for the skills of collaboration and conflict management. This is done by developing  
22 selection criteria concerning collaboration and then revising the selection/performance

1 review/promotion procedures to include assessment of an individual's talent for collaboration.

2 Further, selection criteria is integrated into a skills training program and ultimately  
3 ombudsman and conveners are selected from those individuals demonstrating these talents best.

4 Further, the rules require a review of the education and training process and result in  
5 recommendations for implementing training to support the new organizational conflict handling  
6 procedure. Training for the implementation of the changes to the existing organizational  
7 conflict handling procedures includes an orientation for supervisors and the entire workforce.

8 This training educates the individuals as to the nature of the program, the benefits of the  
9 program for all employees, and links conflict management to the company's strategic  
10 initiatives.

11 Subsequently, the training element includes training in-house specialists in the core  
12 skills of dispute resolution. This is designed to equip those who staff the program with the  
13 necessary skills to resolve disputes. Finally, an essential element of the recommendation is  
14 training all employees and managers for prevention and early intervention in all future conflict  
15 situations. As illustrated in Figures 1 and 3, early resolution is the starting place of the  
16 preferred path for the expert system for the analysis of organizational conflicts handling  
17 procedures 10 in every case.

18 Once existing organizational conflict handling procedures have been revised, support  
19 for the new organizational conflict handling procedures is required under the rules. The  
20 support mechanisms are defined for both the employees and managers and require ongoing  
21 support in implementing and evaluating the revised process.

1           The last variable 74 in Figure 3 relates to block 72 lessons learned (Figure 2), wherein  
2   the rules require a periodic review of the preselected conflict resolution variables according to  
3   the template defining the preferred path and indicating if additional modifications to the new  
4   organizational conflict handling procedures are necessary. The four key areas for evaluation of  
5   the outcome variables 76 (Figure 3) for the resolution of new conflicts are the expenses  
6   involved, the satisfaction of the employer and employees, utilization of the recommended  
7   preferred path flow chart, and the ultimate resolution of the conflict.

8           By way of the present invention, an expert system for the analysis of organizational  
9   conflict handling procedures to determine the absence or presence of predetermined rules and  
10   adherence to a preferred path for dispute resolution is disclosed. The system is implemented ,  
11   for example, by utilization of a computer system, again of any known type, in conjunction with  
12   a computer instructions containing predetermined rules for dispute resolution to regulate the  
13   flow of cases. As illustrated in Figure 2, the existing organizational conflict handling  
14   procedures are first analyzed by applying a predetermined conflict resolution analysis template  
15   defining a preferred path for the resolution of conflicts, for identifying indicators of weakness  
16   in conflict handling procedures as illustrated, again, in Figure 2. Once the existing  
17   organizational conflict handling procedure has been examined in accordance with the template  
18   rules, recommendations are provided for new organizational conflict handling procedures that  
19   adhere to the preferred path so as to insure a process results that encourages early resolution by  
20   the parties on-site. In a preferred embodiment, the preferred path begins in block 20 , Box 1  
21   in every case. The next required gate on the preferred path is to obtain internal support from  
22   specialists in block 28 , Box 2. The next required gate, in a preferred embodiment, is the

1 convening of external alternative dispute resolution providers in block 26, Box 3. Only then  
2 do the rules allow for the process to pass through gate 18 to external higher authority dispute  
3 resolution alternatives, such as litigation and governmental agency oversight in block 36, Box  
4 4.. Applicant has found that the provision of the template and preferred path required by these  
5 rules and the modification of existing conflict handling procedures in accordance with  
6 recommendations resulting from analysis of an existing conflict handling procedure results in  
7 significant cost savings on the order of fifty to eighty percent of the cost to the organization of  
8 the continued use of existing organizational conflict handling procedures.

9 Any existing organizational conflict handling process will be made better by review in  
10 accordance with the predetermined rules and the preferred path disclosed herein so that, while  
11 the present invention has been disclosed in connection with the preferred embodiment thereof,  
12 it should be understood that there may be other embodiments which fall within the spirit and  
13 scope of the invention as defined by the following claims.